Agenda Date: 6/4/03 Agenda Item: IIIA



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST CABLEVISION OF SOUTHEAST PENNSYLVANIA, INC. FOR A CERTIFICATE CERTIFICATE CERTIFICATE OF APPROVAL TO CONTINUE TO CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN AND FOR THE TOWNSHIP OF DELAWARE, COUNTY OF HUNTERDON, STATE OF NEW JERSEY DOCKET NO. CE01120848

Stryker, Tams & Dill, Newark, New Jersey, by Janice Manganello, Esq. for the Petitioner.

Township Clerk, Township of Delaware, New Jersey, by Judith Allen, for the Township.

BY THE BOARD:

On March 5, 1991, the Board granted Suburban Cable TV Co., Inc. d/b/a/ Bridge Cable TV ("Suburban"), a Certificate of Approval in Docket No. CE90080796, for the construction, operation and maintenance of a cable television system in the Township of Delaware ("Township"). The Township's municipal consent ordinance divided the Township into Zone A and Zone B for purposes of receiving cable television service. Consent to operate in Zone A was granted to Suburban. Consent to operate in Zone B was granted to RCN of New Jersey, Inc.'s predecessor.¹

On January 18, 2000, the Board approved Suburban becoming a wholly owned indirect subsidiary of Comcast Corporation, in Docket No CM99110855. Subsequently, Suburban's name was formally changed to Comcast Cablevision of Southeast Pennsylvania, Inc

¹ The Board granted approval to operate in Zone B to Comvideo Systems, Inc. d/b/a C-TEC Cable, in Docket No. CE90091053. On October 27, 1993, in Docket No. CM93080313, the Board approved the restructuring of ComVideo into three separate subsidiaries, which was renamed RCN of New Jersey, Inc.. The Board approved the sale and transfer of the Certificate of Approval from RCN to Patriot Media & Communications CNJ, LLC ("Patriot") on February 6, 2003, in Docket No. CM02090653. Patriot is obligated to meet all commitments agreed to by its predecessor.

("Petitioner"). Although the Petitioner's above referenced Certificate expired on March 5, 2001, it is authorized to continue to provide cable television service to the Township pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Township on June 5, 2000, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. On May 14, 2001, after public hearing, the Township adopted an ordinance granting renewal municipal consent to the Petitioner. On November 13, 2001, the Township adopted an amendment to its ordinance. On November 21, 2001, the Petitioner accepted the terms and conditions of the ordinance and the amendment to the ordinance, in accordance with N.J.S.A. 48:5A-24. On December 26, 2001, pursuant to N.J.S.A. 48:5A-16, Petitioner filed with the Board for a renewal of its Certificate of Approval for the Township.

The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance and the amended municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board <u>HEREBY FINDS</u> the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Certificate of Approval. Further, these qualifications were reviewed by the Township in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is ten years. The Board finds the duration to be reasonable.
- 5. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile ("HPM") figure is 35.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates, and promptly file any revisions thereto.
- 7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Township. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The Petitioner currently maintains a local office located at: 30 Coryell Street in Lambertville, New Jersey.

- 9. The franchise fee to be paid to the Township is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Township. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner has agreed to provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner currently provides one system-wide channel for public access.
- 11. The Petitioner and the Zone B Operator have agreed to cooperate with each other in showing and playing pre-recorded tapes of community events and public service announcements. This will be done through a physical interconnection of the two systems if same can be done at a reasonable cost at any point during the franchise.
- 12. The Petitioner maintains a fully equipped operational local production studio for creation of local and access programming in Trenton, New Jersey.
- 13. Within 12 months of receipt of this Certificate, the Petitioner was required to complete an upgrade of the zone it serves to a 870 MHz system. The Office of Cable Television has confirmed that the rebuild was completed.
- 14. The Petitioner shall continue to provide the installation and basic cable television service, free of charge, to one outlet to each school and library in the zone it serves. Installation of additional outlets shall be paid for on a materials plus labor basis by the municipality. Monthly service charges shall be billed at the regular tariffed rates for additional outlets.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u> that, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>, that the Petitioner has complied or is ready to comply with all applicable rules and regulations imposed by or pursuant to State and federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the designated Zone of the Township.

This Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges

granted herein. The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u> including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or the Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire March 5, 2011.

SECRETARY

DATED:	June 5, 2003		BOARD OF PUBLIC UTILITIES BY:
		(signed) JEANNE M. FOX PRESIDENT	
(signed) FREDERICK F. BUTLER COMMISSIONER			(signed) CAROL J. MURPHY COMMISSIONER
(sign CONNIE O. COMMISSIC	HUGHES		(signed) JACK ALTER COMMISSIONER
ATTEST: (sign	ed) STI IZZO		